FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Northern Lights Acquisition Corp. ("**Northern**" or the "**Corporation**")
1000 - 250 2nd St SW
Calgary, AB T2P 0C1

2. **Date of Material Change**

May 10, 2011.

3. **News Release**

A press release was disseminated on May 10, 201 via Marketwire.

4. **Summary of Material Change**

Northern and Iona Energy Company Limited ("**Iona**") jointly announced that they each will hold an annual general and special shareholder meeting on May 27, 2011 to vote on their proposed qualifying transaction (the "**Transaction**") and related matters. The Iona and Northern joint management information circular and proxy statement dated April 19, 2011 in respect of the Transaction (the "**Information Circular**") has been distributed to shareholders of both companies and a copy has also been filed on SEDAR under Northern's profile at www.sedar.com.

In addition, Northern and Iona entered into an amalgamation agreement in connection with the Transaction.

5.1 **Full Description of Material Change**

Iona Energy and Northern Shareholders' Meetings

Iona and Northern jointly announce that they each will hold an annual general and special shareholder meeting on May 27, 2011 to vote on the Transaction and related matters. The Information Circular has been distributed to shareholders of both companies and a copy has also been filed on SEDAR under Northern's profile at www.sedar.com. The Iona and Northern boards of directors have recommended that their respective shareholders vote in favor of the Transaction at their respective shareholder meetings. Upon successful completion of the Transaction and upon receipt of TSX Venture Exchange ("**TSX Venture**") acceptance, it is anticipated Amalco (as defined below) will resume trading as Iona Energy Inc. shortly thereafter.

The Transaction

Northern and Iona entered into an amalgamation agreement dated effective April 19, 2011 (which supersedes the earlier letter agreement dated December 13, 2010) pursuant to which Northern and Iona will amalgamate under the provisions of the *Business Corporations Act* (Alberta) to form a new company ("**Amalco**") to be called "Iona Energy Inc." (the "**Amalgamation**"). At the effective time of the Amalgamation, Amalco will issue to the holders ("**Iona Shareholders**") of common shares in the capital of Iona ("**Iona Shares**") one (1) common share in the capital of Amalco (an "**Amalco Share**") for each one (1) Iona Share held by an Iona Shareholder, for aggregate consideration of 60,908,398

Amalco Shares being issued to current Iona Shareholders. Similarly, at the effective time of the Amalgamation, Amalco will issue to the holders ("**Northern Shareholders**") of common shares in the capital of Northern ("**Northern Shares**") 0.342935528 Amalco Shares for each one (1) Northern Share held by a Northern Shareholder (subject to rounding), for aggregate consideration of 1,800,412 Amalco Shares being issued to current Northern Shareholders in exchange for the 5,250,000 Northern Shares which will be outstanding at the effective time of the Amalgamation. Each Amalco Share issued to Iona Shareholders or to Northern Shareholders pursuant to the Amalgamation will be issued at a deemed price of $0.60 per Amalco Share. Upon completion of the Amalgamation and the Iona Private Placement (as defined below), current Northern Shareholders will hold less than 2% of the issued and outstanding Amalco Shares. The Transaction, when completed, will constitute the qualifying transaction of the Corporation pursuant to Policy 2.4 of TSX Venture Corporate Finance Manual.

The Transaction is subject to the policies of TSX Venture relating to qualifying transactions, as well as shareholder approval of Northern and Iona. Additionally, the Corporation has made an application to TSX Venture for an exemption from Sponsorship, but there is no assurance that such an exemption will be granted. Upon completion of the Transaction, Amalco will be a Canadian company focused on oil and gas development and exploration in the United Kingdom's North Sea.

Iona Private Placement

On March 10, 2011, Iona issued 116,485,090 subscription receipts (the "**Subscription Receipts**") for gross proceeds of $69,891,054 (the "**Iona Private Placement**"). Each Subscription Receipt is convertible into one Iona Share and 0.2 of one right to acquire an Iona Share without further action or consideration if Iona does not complete the Amalgamation or a going public transaction by June 30, 2011 (a "**Liquidity Right**"), automatically in two tranches upon the occurrence of specified conversion events (as described below). Each holder of Subscription Receipts also has the right, at any time prior to the satisfaction of all of the Escrow Conditions (as described below), to elect to exchange their Subscription Receipts for one Iona Share (or one Amalco Share if the Amalgamation has been completed) and 0.2 of one Liquidity Right for each Subscription Receipt converted. The subscription proceeds of the Iona Private Placement were placed into escrow pending completion of the conversion events described below. If Iona completes the Amalgamation or a going public transaction on or before June 30, 2011, any issued and outstanding Liquidity Rights shall immediately terminate, be of no force or effect and shall not entitle the holder thereof to receive any additional Iona Shares.

In connection with completion of Iona's previously-announced acquisition of the Orlando Assets (as defined below) on March 10, 2011 (which constituted the first conversion event), gross proceeds of $23,000,000 (the "**Orlando Funds**") were released from escrow to Iona and 38,333,333 Subscription Receipts were automatically converted into 38,333,333 Iona Shares and 7,666,667 Liquidity Rights. The second conversion event will take place upon the later to occur of: (a) the satisfaction of all conditions (other than financing) necessary to complete Iona's previously-announced acquisition of the Trent & Tyne Assets (as defined below); and (b) the satisfaction of all conditions necessary to complete the Amalgamation (or a going public transaction) (collectively, the "**Escrow Conditions**"). Upon completion of the later of such events, the remaining Subscription Receipts held by each holder will be deemed to have been automatically converted into Iona Shares (or Amalco Shares in the event that the Amalgamation has occurred) in such amount as determined by each Subscription Receipt holders' remaining Subscription Receipts.

The Iona Private Placement was undertaken by a syndicate of agents on behalf of Iona led by Wellington West Capital Markets Ltd. and including Mackie Research Capital Corp. and National

Bank Financial Inc. The agents are entitled to a cash commission of 6.5% of the gross proceeds of the Iona Private Placement in accordance with the Subscription Receipt Agreement and the Agency Agreement.

Iona Energy's UK North Sea Properties

Orlando

The Orlando Assets are located in Block 3/3b in the North Sea UK Sector in a three-way fault closed structure approximately 2.5 km long by 0.5 km wide stratigraphically positioned within the Upper Jurassic Brent Group Reservoirs beneath the Base Cretaceous Unconformity. Pursuant to a sale and purchase agreement dated December 17, 2010 between Wintershall (E&P) Limited ("**Wintershall**") and Iona's wholly-owned subsidiary, Iona Energy Company (UK) Limited ("**Iona UK**"), Iona acquired a 35% equity interest (the "**Orlando Assets**") in UKCS Licence P.1606, Block 3/3b for consideration of US$3,000,000, which requires Iona to pay 42.5% of the cost of the appraisal leg of the development well to earn a 35% interest in the field. A portion of the Orlando Funds were utilized for the acquisition of the Orlando Assets, and the remainder is intended to be utilized to develop the Orlando Assets as described in the Information Circular, which was filed on SEDAR under Northern's profile at www.sedar.com.

Trent and Tyne

Iona's proposed interest in the Tyne gas field is located offshore in Block 44/18 of the Southern North Sea and is comprised of Carboniferous reservoirs within a setting of five fault blocks. Four of these fault blocks have been drilled; Tyne North, Tyne South, Tyne West and Tyne East the remaining fault block, Tyne North West has not been drilled. Iona's proposed interest in the Trent gas field is located nearby in Block 43/24a of the Southern North Sea.

Pursuant to a sale and purchase agreement dated April 15, 2011 between a large UK-based private company and Iona UK, Iona has the right, subject to completion of certain conditions, including approval of the U.K. Department of Energy and Climate Change, to acquire a 20% interest in Trent Field Block 43/24a Licence P.685, a 20% interest in Tyne Field Block 44/18 Licence P.609, together with certain assets and facilities relating thereto, as well as a right of first refusal to certain assets (collectively, the "Trent & Tyne Assets"), in exchange for Iona agreeing to fund a work program on the Trent and Tyne Field Blocks in an aggregate amount up to £20,000,000. Iona currently intends to complete the acquisition of the Trent & Tyne Assets on or about May 31, 2011.

Reserve Report

A reserve report effective as of December 31, 2010 and dated March 9, 2011 has been prepared in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* by Gaffney, Cline & Associates Ltd. ("**GCA**"), an international energy advisory group which is independent of Iona, which evaluated Iona's proposed interests in the Orlando Assets and in the Trent & Tyne Assets (the "**GCA Report**"). Further details regarding the GCA Report are contained in the Information Circular, which was filed on SEDAR under Northern's profile at www.sedar.com.

5.2 **Disclosure for Restructuring Transactions**

Not Applicable.

6. **Reliance on Section 7.1(2) or (3) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The name of the executive officer of Northern who is knowledgeable about the material change and this report is:

James Bell
President and Chief Executive Officer
Telephone: (403) 698-8707

9. **Date of Report**

May 19, 2011

Cautionary Statements

As indicated above, completion of the Transaction is subject to a number of conditions, including but not limited to, TSX Venture acceptance and shareholder approval. The Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Information Circular of the Corporation to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Corporation should be considered highly speculative.

Neither the TSX Venture nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture) accepts responsibility for the adequacy or accuracy of this material change report. Except for historical information contained herein, this material change report contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. Neither Iona nor Northern will update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by Northern and Iona.